

INVESTMENT BOARD

Budget Summary						FTE Position Summary				
Fund	2010-11 Adjusted Base	Governor		2011-13 Change Over Base Year Doubled		2010-11	Governor		2012-13 Over 2010-11	
		2011-12	2012-13	Amount	%		2011-12	2012-13	Number	%
PR	\$30,022,600	\$28,888,600	\$28,888,600	- \$2,268,000	- 3.8%	124.25	124.25	124.25	0.00	0.0%

Under s. 25.187 of the statutes, the agency's budget for a fiscal year may not exceed the greater of the amount that the Board could have assessed the trust funds in the second year of the prior fiscal biennium or 0.0325% of the average market value of the assets of the funds at the end of each month between November 30 and April 30 of the preceding fiscal year. The average month-end market value of assets under management for the period November 30, 2009, through April 30, 2010, was \$78,835 million. Because 0.0325% of this amount (approximately \$25.6 million) is lower than the amount that the Board could have assessed the trust funds in the second year of the prior fiscal biennium (\$30,022,600), the budget authority for the 2010-11 adjusted base year is established at \$30,022,600.

Under current law, the actual budget levels for the 2011-12 fiscal year will be determined by the greater of the amount that the Board could have assessed the trust funds in 2010-11 (\$30,022,600) or 0.0325% of the average month-end market value of assets under management for the period November 30, 2010 through April 30, 2011. The actual budget levels for the 2012-13 fiscal year will be determined by the greater of the amount that the Board could have assessed the funds in 2010-11 (\$30,022,600) or 0.0325% of the average month-end market value of assets under management for the period November 30, 2011, through April 30, 2012.

Budget Change Item

1. INCREASE EMPLOYEE CONTRIBUTIONS FOR PENSIONS AND HEALTH INSURANCE

PR	- \$2,268,000
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Governor: Delete \$1,134,000 annually to reflect fringe benefit cost reductions associated with increased state employee contributions for Wisconsin Retirement System (WRS) benefits and health insurance coverage. The calculation of retirement savings is based on employee WRS contributions equal to 5.8% of salary. Health insurance cost reductions are based on employees paying an average of approximately 12.6% of total premium costs, compared to the current average of approximately 6% of costs.